

Credit and Incentive Policy for Stormwater and Flood Control Utility

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Prepared By:
Northampton Department of Public Works

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1. Introduction

1.1 Overview

On March 20, 2014, the Northampton City Council approved Sections 280-1 to 280-13 of the Northampton Code of Ordinances establishing the Stormwater and Flood Control Utility (Utility). The Utility administers the stormwater management and flood control programs of the City of Northampton. The Utility is a division of the City of Northampton's Department of Public Works (DPW).

The Utility provides a source of revenue for the City's stormwater management and flood control programs by charging a fee to customers in accordance with the ordinance.

The Northampton DPW established a credit program which offers a reduction in a fee for certain conditions and activities of the property owner. Activities that reduce the impact of stormwater runoff on the public stormwater system or provide an ongoing public benefit related to stormwater management are encouraged and are eligible for a credit and associated reduction in the fee charged. The Northampton DPW also offers incentives for customers to undertake specific actions that reduce the impact of stormwater runoff.

This policy details the policies, eligibility requirements, technical criteria and procedures for Stormwater and Flood Control Utility credits and incentives.

1.2 Purpose

The primary purposes of the Stormwater Credits and Incentives Programs are as follows:

Stormwater Credits

The Stormwater Credit Program provides customers the opportunity to obtain stormwater credits to reduce their stormwater and flood control utility fee. Stormwater credits can be earned as a result of the construction, operation, and maintenance of stormwater best management practices (BMPs) that reduce a parcel's contribution of stormwater runoff.

Stormwater Incentives

The purpose of the Stormwater Incentives Program is to offer customers incentive-based discounts or tools that promote the use of green stormwater infrastructure on their properties.

2. Stormwater Credits

2.1 General Policies

- Credit is given to eligible properties only, as described in the credit policies presented in this policy.
- Multiple credits may be given to eligible properties. The total credit approved for a property shall not exceed 50% of the stormwater fee for that property.
- The property owner (customer) shall apply for the stormwater credits and provide the necessary documentation with the credit application, as described herein.
- Credit applications are available from the Department of Public Works.
- Design of stormwater management improvements and best management practices approved for a credit under this policy must meet the design guidelines as defined by the current Massachusetts Stormwater Handbook, Chapter 281 of the City of Northampton Code of Ordinances, and other technical references as defined by the Department of Public Works.
- Credit applications will only be reviewed if they are filled out completely and all necessary information and submissions are attached. The review will be completed within four (4) weeks of the date of receipt of the application by the DPW. The results of the review of the credit application will be sent to the property owner by U.S. mail.
- If a credit application is approved at least one month before the customer's next regularly scheduled bill, the credit will be applied to the next bill.
- The credit will remain effective for the length of time defined in this manual for each credit type. All credits require a renewal application.
- The City maintains the right to inspect the property at the time of credit application and at any time that the site is receiving credit to determine credit applicability. Failure to allow inspection may result in revocation of all or part of the credit.
- A credit may be reduced or revoked at any time that it is determined by the City that the
 qualified stormwater system or qualified stormwater programs are not performing adequately
 or are not being maintained to function as designed.
- Credits are not transferrable when a property is sold. New property owners will need to apply for credits.

2.2 Small Residential Stormwater Improvements Credit

<u>Description:</u> All small residential (1-3 family) properties are eligible for this credit.

<u>Reason for Credit</u>: The goal of this credit is to reduce the downstream impacts of stormwater running off a property through the construction and maintenance of approved stormwater improvements.

Credit Value:

- Rain Garden The size and design of an approved rain garden is a function of the size of the
 impervious area and size of a property. A credit of up to 25% reduction of a fee for the
 construction of a rain garden that has a minimum size of 100 square feet and meets the design
 requirements as defined by the Massachusetts Stormwater Handbook and other technical
 references as defined by the Northampton DPW. Rain garden overflows must be directed to
 appropriate outlets or areas.
- Porous Pavement/Pavers A credit of up to 25% reduction of a fee for the replacement of greater than 400 square feet of existing pavement on a property with porous pavement or pavers with a stone reservoir underneath. Proposed design must meet the design requirements as defined by the Massachusetts Stormwater Handbook and other technical references as defined by the Northampton DPW. Gravel driveways are not considered a type of porous pavement without appropriate subsurface design.

<u>Application Process:</u> The application for this credit requires that the property owner provide the following information:

- A completed Credit Application Form (see Appendix A)
- A sketch plan of the stormwater improvement and sizing calculations
- Inspection of the stormwater improvement by the DPW

<u>Duration of Credit:</u> Credits expire three (3) years from their approval date. The property owner shall submit a credit renewal application form (see Appendix B) at least thirty (30) days before the expiration date to apply for renewal of the stormwater credit. The credit renewal, if approved, is effective on the expiration date of the original credit. The credit renewal application includes the submission of proof that the approved structures are functioning, in good working condition, and have been maintained adequately.

2.3 NPDES MS4 Credit

<u>Description:</u> This credit is applicable to property owners who are subject to and in compliance with a municipal separate storm sewer system (MS4) general permit from the U.S. EPA under the National Pollutant Discharge Elimination System (NPDES).

<u>Reason for Credit:</u> The goal of the NPDES Credit is to acknowledge the required efforts of property owners who are also permittees under the EPA NPDES MS4 program. These property owners are required by EPA to develop, implement, and enforce a stormwater management program that is designed to reduce the discharge of pollutants from the MS4 and satisfy applicable water quality requirements of the Federal Clean Water Act.

<u>Credit Value:</u> The credit for a property or properties in compliance with an EPA NPDES MS4 permit is 10% reduction of fees for a period of one year. A NPDES MS4 credit can be combined with other Credit programs for a maximum of 50% credit for a particular property.

<u>Application Process:</u> To receive this credit a property owner must provide the following information:

- A completed Credit Application Form (see Appendix A)
- Copy of the Property Owner's Notice of Intent that was submitted to EPA.
- Submission of most recent Annual Report to EPA

<u>Duration of Credit:</u> The duration of this credit is one year. Each year the property owner must re-apply for the credit.

2.4 Education Credit

<u>Description:</u> This credit is applicable to private and public K-12 education institutions and to Smith College.

Reason for Credit: The goal of the education credit is to increase awareness of stormwater issues within the community. The City's EPA stormwater permit (Part 2.4.3) requires public education and outreach to provide the public with an opportunity to understand and participate in the stormwater protection program. Education programs should concentrate on stewardship of water resources and minimization of demand on stormwater systems, and overall improvement to water quality and reduction in stormwater runoff.

<u>Credit Value:</u> The credit for an approved education program is 10% reduction in fees for a period of one year. An education credit can be combined with other Credit programs for a maximum of 50% credit for a particular school property.

<u>Application Process:</u> To receive this credit the applicant must provide the following information:

- A completed Credit Application Form (See Appendix A)
- As applicable, submittal of a proposed curriculum and the target audience (i.e. 6th grade)
- Submittal of public service program information or other type of program.

<u>Duration of Credit</u>: The duration of this credit is one year. Each year the property owner shall re-apply for the credit.

2.5 Protected Land Credit

<u>Description:</u> This credit is applicable to properties that have documented land restrictions for private and public farmland, forest land, and recreation land.

<u>Reason for Credit:</u> The goal of the Protected Land Credit is to encourage the placement of formal restrictions on properties that minimize or eliminate the potential development of properties and provide natural mitigation of stormwater impacts.

Credit Value:

- A credit of 20% reduction in fees for properties that are actively enrolled according to the Northampton Assessor's Office in the following land protections:
 - Forestry (Chapter 61)
 - Agriculture (Chapter 61A)
 - Recreation (Chapter 61B)
- A credit of 50% reduction in fees for properties with a permanent Agricultural Preservation
 Restriction (APR) or Conservation Restriction (CR) held by the City and/or State or other
 permanently protected undeveloped land as documented by recorded land at the Hampshire
 County Registry of Deeds (this credit will apply if the exemption for these properties is deleted
 from the adopted Stormwater and Flood Control Utility Ordinance, Section 280-9)

<u>Application Process:</u> This credit will be automatically applied to a property owner's fee based on documentation of active Chapter 61, 61A or 61B status by the Northampton Assessor's Office or documentation of permanent APR or CR by documents recorded at the Hampshire County Registry of Deeds.

<u>Duration of Credit:</u> The duration of the 20% credit for properties in Chapter 61, 61A, and 61B is ongoing if the property qualifies. The duration of the 50% credit for properties with an APR or CR is permanent.

2.6 Commonly Owned Undeveloped Properties Credit

<u>Description:</u> This credit is applicable to multiple undeveloped properties that are adjacent and have the same owner. For this credit, adjacent means properties that are contiguous or are directly across a right of way from each other. These properties will be combined into one property for billing purposes.

<u>Reason for Credit</u>: The goal of this credit is to reduce the fee to a property owner of multiple adjacent undeveloped properties and provide incentive to maintain these properties as undeveloped and provide natural stormwater mitigation.

<u>Credit Value:</u> The credit for commonly owned undeveloped properties is variable and will be calculated by combining the total area of pervious land for the multiple adjacent properties for the calculation of the utility fee.

<u>Application Process</u>: The DPW will automatically apply this credit to properties based on Assessor's records and analysis of contiguous properties. A property owner may also apply for this credit by providing the following information:

- A completed Credit Application Form (see Appendix A)
- Documentation of ownership and location of properties

<u>Duration of Credit:</u> Ongoing as long as ownership of properties does not change and properties remain undeveloped.

2.7 Stormwater Best Management Practice (BMP) Credit

<u>Description:</u> This credit is applicable to Non-Residential, Large Residential (4+ Family), and Residential Subdivision properties that have constructed and maintained approved stormwater control systems or best management practices (BMPs).

<u>Reason for Credit</u>: The goal of the stormwater BMP credit is to provide incentive for larger properties to construct and maintain BMPs that reduce downstream impacts to the municipal stormwater system.

Credit Value:

- Rate Reduction Maximum 15% reduction of fee for a property or the portion of a property that
 has installed and maintained in good working order stormwater management system(s)
 designed to mitigate peak flows from a property or portion of a property for greater than a 24
 hour, 25-year design storm.
- Volume Reduction Maximum 15% reduction of fee for a property or the portion of a property
 that has installed and maintained in good working order, stormwater management systems that
 capture and infiltrate into the ground the first inch of rainfall from impervious surface on the
 property or portion of the property. Eligible BMPs include:
 - o Infiltration systems
 - o Rain gardens
 - o Green Roofs
 - Porous Pavement or Pavers
- Water Quality Maximum 10% reduction of fee for a property or the portion of a property that has installed and maintained in good working order, stormwater management system(s) designed to remove 80% of the total suspended solids from the runoff from the impervious surface on the property or a portion of the property. Eligible BMPs include:
 - o Rain Gardens
 - Vegetated swales
 - Manufactured BMPs (Stormceptor, Vortech, etc.)
- BMP credits will only be applied to that portion of property or properties served by a
 stormwater BMP. Calculation of a credit will be a function of the fraction of the total area of
 impervious surface that is mitigated by a stormwater BMP. For example, if an infiltration basin
 has been sized and constructed to receive flow from 50% of the impervious surface on a
 property, the credit value for volume reduction of 15% is multiplied by 50% resulting in a credit
 of 7.5% reduction of the fee for the property.
- All stormwater management systems that are included in a credit application must meet the design requirements as defined by the current Massachusetts Stormwater Handbook, Chapter

281 of the City of Northampton Code of Ordinances, and other technical references as defined by the Department of Public Works.

<u>Application Process:</u> To receive this credit a property owner must provide the following information:

- A completed Credit Application Form (see Appendix A)
- Approved Stormwater Management Permit
- Most Recent Annual Report as required by the Stormwater Management Operation,
 Maintenance and Inspection Agreement for the property
- If an approved Stormwater Management Permit is not available for the property, additional documentation shall be submitted including inspection report, design calculations, construction or as-built plans and other information that detail the design, current condition, and past maintenance of the stormwater BMP(s) associated with a credit application. Additional information and inspection reports must be prepared by a Registered Professional Engineer in the Commonwealth of Massachusetts.
- Subdivision Properties or other properties that discharge stormwater to stormwater management systems owned and maintained in common through a property owners association may collectively apply for BMP Credits for all of the properties served by the stormwater management systems (see Part 4 of the application).

<u>Duration of Credit:</u> Credits expire five (5) years from their approval date. However, the property owner is required to submit an annual report by October 1st of each year, or the credit will be revoked.

The property owner shall submit a credit renewal application form (see Appendix B) at least thirty (30) days before the expiration date to apply for renewal of the stormwater credit. The credit renewal, if approved, is effective on the expiration date of the original credit. The credit renewal application includes the submission of a report from the property owner and prepared by a Registered Professional Engineer in the Commonwealth of Massachusetts certifying the stormwater BMPs are functioning according to design, in good working condition and have been maintained adequately and in accordance with the approved Stormwater Management Operation, Maintenance and Inspection Agreement.

2.8 Senior Needs-Based Credit

<u>Description:</u> This credit is applicable to seniors over 70 years of age who qualify financially and who have been approved by the Assessor's Office for the CL. 41C Tax Exemption.

Reason for Credit: Rate relief for qualifying seniors over 70 years old.

<u>Credit Value:</u> The credit for qualifying seniors is 50% reduction in fee.

<u>Application Process:</u> This credit will be automatically applied to a property owner's fee based on documentation of approved CL. 41C Tax Exemption by the Northampton Assessor's Office.

<u>Duration of Credit:</u> The credit is ongoing if qualified.

2.9 Low Income Credit

<u>Description:</u> This credit is applicable to property owners who have been approved by the Assessor's Office for the CPA Tax Surcharge Exemption.

Reason for Credit: Rate relief for qualifying low income property owners.

<u>Credit Value:</u> The credit for qualifying low income property owners is 50% reduction in fee.

<u>Application Process:</u> This credit will be automatically applied to a property owner's fee based on documentation of approved CPA Tax Surcharge Exemption by the Northampton Assessor's Office.

Duration of Credit: The credit is ongoing if qualified.

3. Stormwater Incentives

3.1 Rain Barrel Incentive

<u>Description:</u> All residents of the City of Northampton are eligible to purchase rain barrels at a reduced price through the DPW.

<u>Reason for Incentive:</u> This incentive encourages the conservation of water and reduces the impact to the stormwater system.

<u>Incentive Value:</u> \$10 off the purchase of a 55-gallon rain barrel through the DPW.

<u>Application Process:</u> Proof of residency in the City of Northampton must be presented. Rain barrels sales are held periodically during the course of the year.

<u>Duration of Incentive</u>: Incentive can be used to purchase 2 rain barrels per year per customer.

3.2 Technical Outreach Program

<u>Description:</u> The DPW may offer periodic workshops to provide technical information for the design and construction of rain gardens, porous pavement/paver systems, and other green retrofits that allow customers to apply for stormwater credits.

<u>Reason for Incentive:</u> This incentive helps property owners consider taking steps to reduce the impact of their property on the stormwater system.

Appendix A - Credit Application Form

Appendix B – Credit Renewal Application Form			